August 5, 2019

James D. Cantlon,
Designated Agency Ethics Official
U.S. Small Business Administration
409 3rd Street SW
Washington, DC 20416

Dear Mr. Cantlon:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Administrator of the U.S. Small Business Administration (SBA).

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter in which I know that I have a financial interest directly and predictably affected by the matter, or in which I know that a person whose interests are imputed to me has a financial interest directly and predictably affected by the matter, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I own shares of United Parcel Service ("UPS") common stock. I do not own stock options, restricted stock, or restricted stock units. I have been advised that the duties of the position of Administrator may involve particular matters affecting the financial interests of UPS, as UPS Capitol Business Credit, a UPS subsidiary, is a Non Federally Regulated Lender participating in SBA's 7(a) loan program. The agency has determined that it is not necessary at this time for me to divest my interests in UPS because the likelihood that my duties will involve any such matter is remote. Accordingly, for as long as I own shares of UPS stock, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of UPS, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

As a retiree of UPS, I am entitled to continued participation in retiree benefits, consisting of a defined benefit pension plan and health insurance for the rest of my life, consistent with the company's practice for other UPS retirees. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the ability or willingness of UPS to provide these contractual benefits, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

I am the owner of JCR Group, LLC, an entity that provided consulting services on supply chain and operations management. The entity is currently inactive. Within 90 days of confirmation, I will formally dissolve JCR Group, LLC. Until this entity is dissolved, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of JCR Group, LLC until I have dissolved it, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

If I have a managed account or otherwise use the services of an investment professional during my appointment, I will ensure that the account manager or investment professional obtains my prior approval on a case-by-case basis for the purchase of any assets other than cash, cash equivalents, investment funds that qualify for the exemption at 5 C.F.R. § 2640.201(a), obligations of the United States, or municipal bonds.

I understand that as an appointee I must continue to abide by the Ethics Pledge (Exec. Order No. 13770) that I previously signed and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this ethics agreement.

I will meet in person with you during the first week of my service in the position of Administrator in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. Within 90 days of my confirmation, I will document my compliance with this ethics agreement by notifying you in writing when I have completed the steps described in this ethics agreement.

I have been advised that this ethics agreement will be posted publicly, consistent with 5 U.S.C. § 552, on the website of the U.S. Office of Government Ethics with ethics agreements of other Presidential nominees who file public financial disclosure reports.

Sincerely,

Jovita Carranza

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